



## AB 3308 (EDUCATIONAL WORKFORCE HOUSING ACT)

### BACKGROUND

According to the California Housing Partnership, [more than 1.4 million](#) California households are in need of affordable housing. The need is especially acute for school teachers and public employees who cannot afford to live where they work. For example, in Los Angeles, entry-level teachers have to spend [more than 85 percent](#) of their income just to afford a median-level rental unit.

School districts across California have begun taking the necessary steps to address the high cost of housing [by providing affordable housing options for their workforce](#). They have used various means to achieve these efforts, such as the selling of district property, establishing ground leases, or owning and managing the land and the project themselves. School districts have also utilized a variety of tax credits to finance the construction of affordable units including the [Low-Income Housing Tax Credit \(LIHTC\)](#).

School districts have taken advantage of this tax credit and other opportunities to bring a holistic approach to addressing the housing shortage and affordability. When districts have units available, they open up those spots to their workforce first, in order to give their educational employees an affordable housing option otherwise out of their reach.

### PROBLEM

In May of 2018, in a letter to the Los Angeles Unified School District (LAUSD), the California Tax Credit Allocation Committee (TCAC) informed the district that they could not offer the LIHTC to schools districts since they give a housing preference for their own employees as opposed to educational employees generally.

TCAC acknowledged that federal law has an exception for individuals “who are members of a specified group under a Federal program or state

program or policy that supports housing for such a specified group” and references Section 53574 of California’s Health and Safety Code, which establishes a state policy supporting housing for “teachers and school district employees”. However, they still withheld the tax credits.

This decision halted any school district’s ability to construct affordable housing, in a time when it was desperately needed. This decision was later reversed in another TCAC letter sent out to school administrators in April of 2020. The different interpretations of the same program by the department, clearly demonstrate the need for further clarity from the Legislature.

### SOLUTION

[This bill](#) clarifies that the state policy created by the Teacher Housing Act of 2016 definitely authorizes school districts and developers can apply for state low income housing tax credits and open occupancy to school district employees first, if the school district owns the land.

Additionally, the bill incorporates provisions to clarify that local municipalities can work collaboratively with school districts to provide rental housing for members of their workforce.

### SUPPORT

California Apartment Association  
California Coalition for Adequate School Housing  
California Federation of Teachers  
California School Employees Association  
California YIMBY  
Los Angeles Unified School District  
Mercy Housing  
Redwood City  
San Diego Unified School District  
San Fernando Valley Young Democrats  
San Francisco Unified School District  
Sherman Oaks Homeowners Association

Southern California Association of Nonprofit  
Housing

**FOR MORE INFORMATION**

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